

1550 Gadsden Street
Post Office Box 995
Columbia, South Carolina 29202

September 11, 2006

The Honorable Mark Sanford
Governor of South Carolina
Post Office Box 11829
Columbia, South Carolina 29211

Dear Governor Sanford:

Attached is the South Carolina Employment Security Commission's State Budget request for Fiscal Year 2007-2008. This attachment includes an Executive Summary, two (2) Detailed justifications and two (2) Provisos.

If there are any questions, or if additional information is needed, please contact Charles D. Reeves, Director of Fiscal Affairs, Department of Finance, at 737-2560.

Sincerely,

Roosevelt T. Halley
Executive Director

RTH:sc

Attachments

REF: AS-4

FISCAL YEAR 2007-08 BUDGET PLAN

I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name: Section 51/R60/Employment Security Commission

B. **Statewide Mission:** The mission of the South Carolina Employment Security Commission is to provide quality, customer-driven workforce services that promotes financial stability and economic growth.

C. Summary Description of Strategic or Long-Term Goals:

- (1) To increase the number of employer job openings
- (2) To increase the number of applicants employed
- (3) To increase the percentage of claimants entering employment

D.

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: SC Occupational Information System		\$385,600			\$385,600				
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name: 1432 SCOIS										
Priority No.:	Title:									
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name:										
Priority No.:	Title:									
Strategic Goal No. Referenced in <u>Item C Above (if applicable):</u> Activity Number & Name:										

Summary of Operating Budget Priorities for FY 2007-08:	FUNDING					FTEs			
	State Non- Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
TOTAL OF ALL PRIORITIES		\$385,600			\$385,600				

E. Agency Recurring Base Appropriation:

State \$ 437,557

Federal \$ 64,619,365

Other \$ 16,281,397

F. Efficiency Measures: 2005 – 2006 Accountability Report

Page 1; Section I – Executive Summary 2. Major Achievements

G. N/A

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$ 0	\$ 0	\$ 0	\$ 0

* If applicable

H. Number of Proviso Changes: 2

I. Signature/Agency Contacts/Telephone Numbers: Charles D. Reeves; Director of Fiscal Affairs; 737-2560; dreeves@scs.org

Roosevelt T. Halley, Executive Director

II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: Section 51/R60/Employment Security Commission

B. Priority No. 1 of 1

C. (1) Title: South Carolina's Career Information System

(2) Summary Description: SCOIS is South Carolina's Career Information System as authorized under the Law. SCOIS was established in 1978 and serves all eighty-five of South Carolina's school districts. SCOIS is the only comprehensive career guidance system in the state. It offers among other things, college and career information and future demand for careers in South Carolina and across the Country. The SCOIS system takes a student through the entire process of career development from grades 6-12. The SCOIS system can be used for most every career guidance activity used by school staff, students and parents.

(3) Strategic Goal/Action Plan (*if applicable*):N/A

D. Budget Program Number and Name: IV SC Occupational Information System

E. Agency Activity Number and Name: 1432 SC Occupational Information System

F. Detailed Justification for Funding See Attachment

(1) Justification for Funding Increase:

(2)

FY 2007-08 Cost Estimates:	State Non-Recurring Funds	State Recurring Funds	Federal	Other	Total
Personnel:					
(a) Number of FTEs*					
(b) Personal Service					
(c) Employer Contributions					
Program/Case Services					
Pass-Through Funds					
Other Operating Expenses		\$385,600			\$385,600

Total	\$ 0	\$385,600	\$ 0	\$ 0	\$385,600
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State \$ 437,557
Federal \$ -0-
Other \$ 388,660

(4) Is this priority associated with a Capital Budget Priority? No If yes, state Capital Budget Priority Number and Project Name: _____.

G. Detailed Justification for FTEs – N/A

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State	<u>-0-</u>
Federal	<u>-0-</u>
Other	<u>5.0</u>

Agency-wide Vacant FTEs as of July 31, 2006: 203

% Vacant 18.5 %

H. Other Comments:

III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES – N/A

- A. Agency Section/Code/Name: Section 51/R60/Employment Security Commission
- B. Priority No. ____ of ____
- C. Strategic Goal/Action Plan *(if applicable)*:
- D. Project Name and Number *(if applicable)*:
- E. Agency Activity Number and Name:
- F. Description of Priority:
- G. Detailed Justification for Funding

(1) Justification for Funding Priority:

(2)

Total Project Cost Estimates:	Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Total Project Cost*				\$ 0

** If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.*

H. Justification for First Year Additional Future Annual Operating Costs:

(1) Will additional annual operating costs be absorbed into your existing budget? _____

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: _____ Will this fiscal year require a partial or full year's operating funds? _____ If a partial year's funds are required, what portion of the year does it cover? _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

I. Justification for First Full Year Additional Future Annual Operating Costs *(If Section H above represents a full year's operating funds, do not complete this section.)*

(1) Will additional annual operating costs be absorbed into your existing budget? _____

If not, will additional state funds be needed in the future? _____

If state funds will not be needed in the future, explain the source(s) that will be used. _____

(2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: _____

(3)

Additional Annual Operating Cost Details:	State Non-Recurring	State Recurring	Federal	Other	Total
Total Costs:					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. Other Comments:

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: Section 51/R60/Employment Security Commission
- B. Agency Activity Number and Name: 1432 SC Occupational Information System
- C. Explanation of Cost Savings Initiative: This is the only priority which we listed for our agency requiring state funds. Our budget reflects the bare minimum of the services we provide to South Carolinians. We did not inflate extra dollars to provide services we otherwise do not provide. This cost savings would in fact be a decrease in much needed training for school administrators.
- D. Estimate of Savings: Cost savings would be \$8,751 of State General Funds. This amount would affect operating costs.

FY 2007-08 Cost Savings Estimates:	General	Federal	Other	Total
Personnel:				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses	\$8,751			\$8,751
Total	\$8,751	\$ 0	\$ 0	\$8,751

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):
 2% cut is equal to \$8,751 of our general funds. This “cost savings” would amount to a cut in our training activities. Specifically, we would be forced to cut training for our Freshman Transition Course which is provided for school administrators. The SCOICC is the only provider of such a course in South Carolina. The end result of this cut in funding would be administrators would go un-trained.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: SC Occupational Information System		0	0		0	0	0	0.00
Activity Number & Name: 1432 SCOIS	\$8,751			\$8,751				
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
TOTAL OF ALL INITIATIVES	\$8,751	\$ 0	\$ 0	\$8,751	0.00	0.00	0.00	0.00

FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section 51/R60/Employment Security Commission
- B. Agency Activity Number and Name: 1432 SC Occupational Information System
- C. Explanation of Lowest Priority Status:
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
Personnel:						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$8,751	0	0	0	0	\$8,751
Total	\$8,751	\$ 0	\$ 0	\$ 0	\$ 0	\$8,751

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

F.

Summary of Priority Assessment of Activities	General	Federal	Supplemental	Capital Reserve	Other	Total	FTEs
Activity Number & Name: 1432 scois	\$8,751	0	0	0	0	\$8,751	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
TOTAL OF LOWEST PRIORITES	\$8,751	\$ 0	\$ 0	\$ 0	\$ 0	\$8,751	0.00